



DEFENSE FINANCE AND ACCOUNTING SERVICE

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DFAS-HQ/FMM

AUG 14 2000

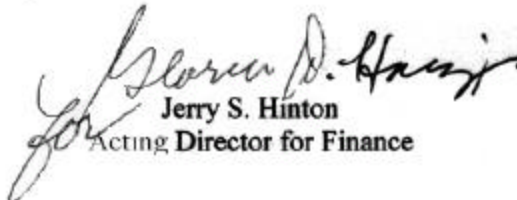
MEMORANDUM FOR DIRECTOR DEFENSE FINANCE AND ACCOUNTING SERVICE
CLEVELAND CENTER
DIRECTOR DEFENSE FINANCE AND ACCOUNTING SERVICE
DENVER CENTER
DIRECTOR DFAS CENTER FOR OPERATING FORCES -
INDIANAPOLIS
DIRECTOR DEFENSE FINANCE AND ACCOUNTING SERVICE
KANSAS CITY CENTER

SUBJECT: Change to the DoDFMR, Volume 7A, Taxability of Interest on amounts Deposited in the Savings Deposit Program (DFAS Item Number J-26)

This is interim change 24-00 to the DoDFMR, Volume 7A. This change is effective immediately.

The purpose of this change is to clarify the taxability of the interest earned on deposits in the Savings Deposit Program.

We have evaluated your comments on the draft change to the DoDFMR, Volume 7A. The attached final version of the change incorporates your comments where appropriate. Assignment of an interim change number is your authority to start a procedural modification, if necessary, to facilitate this change. For the Denver Center, use the attached to initiate the formal printed change to the DoDFMR, Volume 7A, and the interim change


Jerry S. Hinton
Acting Director for Finance

Attachment:
As stated

cc: OUSD(C)ODCFO(FC)
DASD (MPP)(Comp)
ODGC (F)
DFAS-DE/DG
Service Liaisons
USCG/NOAA/PHS Liaisons
MPMPO

1. Renumber paragraph 510403 and 510404 as 510404 and 510405.

2. Insert the following new paragraph 510403:

"510403. Taxability of Interest Paid. Interest paid on the amounts deposited into the Savings Deposit Program are taxable."